



Memorandum

TO: MAYOR REED

FROM: Vice Mayor Madison Nguyen

SUBJECT: BUDGET DOCUMENT

DATE: May 23, 2012

Approved

Madison Nguyen

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title: San José Municipal Stadium

Amount of City Funding Required: \$ 154,500

Fund Type (i.e. General Fund, C&C funds, etc.) Essential Services Reserve

Anticipated Outcomes: Requested funding changes would affect benefits or services for San José residents, businesses, community groups, etc., as described below: (Use as much space as required.)

Requested funds would allow the San Jose Arena Authority to make the necessary capital improvements that will ensure that residents of the City of San Jose and patrons of the San Jose Giants have a safe venue to enjoy activities at the stadium for many years to come.

The San José Municipal Stadium is a city treasure and home to over 140 events every year providing fun and affordable entertainment to over 325,000 people annually. Managed by the San Jose Arena Authority, Municipal Stadium has been the home of the San Jose Giants for the past 25 years.

The former Redevelopment Agency allocated \$600,000 for various capital improvements to upgrade fan amenities at the historic Municipal Stadium during fiscal year 2008-2009. These improvements include new outfield bleachers, expanded the outdoor concessions areas, upgraded equipment for "Turkey Mike's BBQ, installation of an expansive "kite" system to cover the outdoor BBQ area and increase protection from errant foul balls, installation of security cameras to enhance fan safety, expanded Family Fun Zone, improvements to the clubhouse and major upgrades to the electrical system. These improvements contributed to a record breaking season for the San José Giants.

In 2011, the Giants set a new all-time attendance record of 229,000. In addition, every year the San Jose Giants partner with different organizations to provide free movie nights, Cub Scout Camp-Outs, Halloween Fest and host various fundraising events that benefit local youth sports programs, schools and has served as

an affordable venue for many families to enjoy a myriad of other events including San Jose State baseball and the CCS playoffs.

The members of the San José Arena Authority Board of Directors and the San Jose Giants have reviewed their capital improvement budgets which are traditionally derived from a percentage of Muni revenues. These funds are modest in size and are not of the scale and scope necessary to handle significant stadium safety and improvement needs. Therefore, they have recommended capital improvements for the San José Municipal Stadium, which are needed to support the long-term, uninterrupted operation of the Stadium.

The requested amount will be used to fund the following capital improvements:

1. **Sealing the stadium bowl seating area** - This has not been done since 2005 and the current seal has mostly worn away. The lack of a seal means that every time it rains, or the stands are cleaned in between events, water leaks down through the stadium into the concourse, work areas, the club house and the umpire facilities. Beyond being a health and safety issue, these leaks, over time, have eroded away the concrete structure of the stadium itself. Failure to seal the stadium now will lead to more serious structural problems down the road.
Total cost estimate: \$77,000 (\$11,000 per section)
2. **Replacing the field drainage system** - The current field drainage system which is 70 years old does not work. Every time the City receives more than a quarter of an inch of rain, the water runoff floods the player dugouts and erodes the dirt portions of the warning track and playing surface. Lack of proper drainage makes the playing surface unsafe (particularly the warning track) for the athletes and creates a tremendous amount of cost to repair and recondition the field whenever a storm occurs.
Total cost estimate: \$70,000
3. **Restriping the stadium parking lot** - The lot has not been restriped in a number of years and the striping that currently exists is a combination of several past attempts combined making parking confusing and hazardous for patrons trying to figure out how best to park their vehicles. Restriping the lot in a clean uniform fashion would make it much easier and safer for fans attending Municipal stadium events and allows maximization of parking potential in the area which is currently comprised by the lack of clear striping of the parking spaces.
Total cost estimate: \$5,000/\$7,500

This request is intended to retain flexibility to access funds for capital improvements to the San José Municipal Stadium.

Funding Source

Program/Project Title: San José Municipal Stadium

Amount of City Funding Required: \$ 154,500

Fund Type (i.e. General Fund, C&C funds, etc.) Essential Services Reserves

Anticipated Outcomes: Requested funding changes would affect benefits or services for San José residents, businesses, community groups, etc., as described below: (Use as much space as required.)

Requested funds would allow the San Jose Arena Authority to make the necessary capital improvements that will ensure that residents of the City of San Jose and patrons of the San Jose Giants have a safe venue to enjoy activities at the stadium for many years to come.

Department or Organization: San Jose Arena Authority/ San Jose Giants

Department or Organization Contact (Please list contact information for the individual that certified cost estimates contained within your recommendation.)

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This change is:

 X One-time Ongoing

The City Service Area to which the change best relates:

- ☒ Community and Economic Development Services
- ☐ Environmental and Utility Services
- ☐ Neighborhood Services
- ☐ Public Safety
- ☐ Strategic Support
- ☐ Transportation and Aviation Services